

**Special Meeting Minutes**  
**Friday, August 22, 2008**  
**Meeting Scheduled Start Time: 11:00 AM**

**BOARD OF SUPERVISORS**  
**Maricopa County, Arizona**  
(and the Boards of Directors of the Flood Control  
District, Library District, Stadium District, Improvement  
Districts, and/or Board of Deposit)



"The mission of Maricopa County is to provide regional leadership and fiscally responsible, necessary public services to its residents so they can enjoy living in healthy and safe communities"

**Board Members**

Andrew Kunasek, District 3, Chairman  
Max Wilson, District 4, Vice Chairman  
Fulton Brock, District 1  
Don Stapley, District 2  
Mary Rose Wilcox, District 5

**County Manager**

David Smith

**Clerk of the Board**

Fran McCarroll

**Meeting Location**

BOS Conference Room  
301 W Jefferson, 10th Fl  
Phoenix, AZ

## BOARD OF SUPERVISORS

The Board of Supervisors of Maricopa County Arizona convened in Special Session at 11:10 AM on Friday, August 22, 2008, in the Supervisors Conference Room with the following members present: Andrew Kunasek, Chairman, District 3; Don Stapley, District 2; Max Wilson, District 4; Wilcox, District 5. Absent: Fulton Brock, District 1. Also present: Fran McCarroll, Clerk of the Board; Shirley Million, Minutes Coordinator; David Smith, County Manager; Victoria Mangiapane, Deputy County Attorney.

### 1. TREASURER'S PRESENTATION ON INFORMATION TECHNOLOGY TRANSFER

Presentation regarding a request from the Treasurer to transfer positions and incumbents, supplies and services, and capital from the Office of Enterprise Technology (OET) Information Technology Program to the Treasurer's Office Information Technology Program. (C-43-09-002-M-00)

Charles "Hos" Hoskins, County Treasurer

Charles "Hos" Hoskins, County Treasurer, said his opinion in this matter extends from the County Attorney's opinion letter of July 23, 2008, that confirmed his suspicion that he is exposed to liability if he does not retain certain necessary assets of his office in order to perform his statutory duties. Due to the Board's action in removing the Treasurer's IT to OET last November 13th, he feels personally and legally liable because he has "lost control" of an important asset of his office. Therefore, he believes he is forced to take action to rectify this.

Supervisor Stapley commented on the opinion rendered by Andrew Thomas on the loss of control cited by Mr. Hoskins. He explained that this is not about the loss of control of Treasury monies but of public information and public documents that are contained in the information systems of the Treasurer's Office. He asked Mr. Hoskins if he believed he had lost control. Mr. Hoskins replied, "Absolutely." Supervisor Stapley asked for an explanation of the "loss of control" concern.

Mr. Hoskins replied that he had no contact person in OET to talk to about his IT programs, it often takes up to two weeks to get an appointment with OET, and he has no access to the IT functions which comprise 90% of the services his office provides

to the public. Supervisor Stapley asked if an IT person was assigned to his office that he could talk with and who would interface between Mr. Hoskins and OET, if that would solve the problem. Mr. Hoskins was “unsure” if it would. He said he wants everything “reinstated as it was prior to November 13, 2007,” and to move forward from there with his participation in planning what would happen next.

Supervisor Stapley asked if that plan would be called a Service Level Agreement (SLA) and reminded Mr. Hoskins that a SLA was completed early this year and signed by OET but has since resided on the Treasurer’s desk with no action being taken. Mr. Hoskins said the SLA is what prompted him to ask the County Attorney for an opinion. He indicated his willingness to work with the Board on these issues. Discussion ensued on the opinion issued by the County Attorney.

Supervisor Stapley stated his concern that somehow this legal opinion is being misconstrued and said there are other legal opinions that differ with it. He said that Mr. Hoskins has reported, both verbally and in writing, that the IT services have improved due to the centralization and consolidation of the Treasurer’s IT Information System. He said there are backup systems now in place for added protection that weren’t there before and that the Parcel Watch Program now in place was praised by Mr. Hoskins. He said that IT is simply a tool and the services to the Treasurer’s Office have been significantly upgraded over their condition prior to last November. He added that the goal is to have this information available because it is all public information. He asked Mr. Hoskins to consider a compromise after listening to David Smith’s report.

Chairman Kunasek likened this situation to the time when the Star Call Center was being discussed when the Board and other electeds gave up positions and financial resources to this joint effort to build a better interface system with citizens. He asked Steve Wetzel, Director of OET, what interface system he had in place to connect department heads with a forum to provide their input to OET.

Mr. Wetzel said that several mechanisms to establish solid lines of communication are in place, including an IT Governance Committee which incorporates the business and IT side of projects; a PC LAN group which meets regularly; a TelCom group; Town Hall meetings; and IT consultants assigned to a “community of business.” In addition, he said he had presented plans (to Sandi Wilson and David Smith) for a better interface with departments and a new governance model which brings in electeds and the business side into an environment designed for “robust communication.”

**~ Supervisor Brock entered the meeting telephonically ~**

Chairman Kunasek said that last November he was the one “no” vote to transfer the IT and incorporate it into OET, not because he felt it was wrong but because the Treasurer’s Office was vacant after David Schweikert’s resignation as Treasurer and a new treasurer had not yet been appointed. However, he feels that the infrastructure of the IT computer system is comparable to the County’s phone system and the email system in that they are all tools that serve the County as a whole – like the air conditioning and electric lights. He said that the computer you put data into is separate from the data. He explained that today he felt he would vote yes on this matter, as it has been proven that the Treasurer’s former “1980s technology systems” were close to a crash and badly needed to be updated. He said there was no support, backup capability or disaster recovery capability for much of the old system. He now felt that the Board had made the best decision in the action consolidating all County OET services, just as other similar services have been consolidated County-wide in the past.

**2. PRESENTATION ON INFRASTRUCTURE OPTIMIZATION AND RESOURCE INTEGRATION REGARDING THE TREASURER'S IT**

Pursuant to the County Manager's request, presentation regarding the Treasurer's IT Optimization project and the agenda item which would create an Information Technology Coordinator position. This presentation will include a list of accomplishments and benefits of the action taken to centralize services within the Office of Enterprise Technology.

David R. Smith, County Manager

David R. Smith, County Manager, reflected on concerns discovered in an internal audit of the Treasurer's Office under the previous incumbent that identified the jeopardy that those "end-of-life" systems were experiencing, and the decision had been made last November to move rapidly to prevent a disaster from happening. He listed benefits received in the interim from having consolidated, as well as a cost savings of \$347,000 by eliminating vacant positions and sharing various resources that provide recurring savings to the County budget.

Mr. Smith gave a history of IT services in the county saying that in the mid-1980s the Treasurer's Office began receiving services from a mainframe on a turn-around basis and did not have its own staff. In the 1990's, it began to get some staff as technology equipment was purchased. Now both industry and government is moving to take advantage of the latest technology and models for cost effectiveness. He pointed out that "IT personnel were never intrinsic to the Treasurer's Office as far as accomplishing mandated functions. To say from a legal position that you are taking something that was doing mandated functions before is just a misstatement of the facts because the premise of that legal opinion is wrong. There was always a dependency since the mid-80's between IT and the Treasurer's Office and it evolved over time, just as it is evolving again."

He said that IT centralization has been changing in other Arizona counties, and in a recent poll it was discovered that every other county except Pima has gone to IT centralization since Maricopa County acted to do this last November. Even Pima County is partially centralized and, as security improves, is expected to move forward with this plan. He said the shared utilization of servers, storage and relational data bases is the goal and it saves dollars, time and effort.

Supervisor Wilcox commented that the Board and County Administration has endeavored to clean up the problems the County had 16 years ago when she first was elected to the Board. One of the goals has been to centralize services for efficiency without hurting departments. She explained that over the years department heads and elected officials have come in and wanted to change things, and the Board evaluates it and makes a decision based on the original premise of "What's best for the whole." She said that centralized services have been proven over the years. She reminded Mr. Hoskins that when he was appointed he was given a copy of the audit done on the Treasurer's Office to help him understand some of the dilemmas in that office, and the Board has tried to provide necessary resources to fix those problem areas. She said the Board is doing everything possible to bring the Treasurer's Office into the County's system in the effort to be as efficient and cost-effective as possible for the taxpayer.

Discussion ensued on expected upcoming benefits from the new Citizens Information Commission.

**ACTION**

**3 RESCIND PREVIOUS BOARD ACTION REGARDING INFORMATION TECHNOLOGY TRANSFER**

Pursuant to the Treasurer's request, rescind the action taken by the Board of Supervisors on November 13, 2007 (C4908018800) wherein the Board approved:

a) Transfer of expenditure authority from the Treasurer's Office (430) General Fund (100) to the Office of Enterprise Technology (410) General Fund (100) in the amount of \$1,791,232. This action requires an expenditure appropriation adjustment decreasing the FY 2007-08 Treasurer's Office (470) General Fund (100) by \$1,791,232 and increasing the FY 2007-08 Office of the Enterprise Technology (OET) (410) General Fund (100) expenditure budget by \$1,791,232;

b) Transfer of the positions and incumbents, supplies and services, and capital from Treasurer's Office Information Technology Program to the Office of Enterprise Technology Information Technology Program. The following position control numbers will be transferred:

11202 Computer Operator	34255 IT Sr. Manager
12972 Programmer/Analyst	61343 Programmer/Analyst
12977 Systems/Network Admin-Sr/Ld	63535 Programmer/Analyst - Sr/Ld
12981 Programmer/Analyst - Sr/Ld	63975 Programmer/Analyst - Sr/Ld
15079 PC/LAN tech Support	63976 Programmer/Analyst - Sr/Ld
15099 Applications Development Manager	63977 Programmer/Analyst - Sr/Ld
15560 Help Desk Coordinator	65424 Business/Systems Analyst
16903 Operations Support Analyst	65425 Business/Systems Analyst – Sr/Ld

c) A Service Level Agreement (SLA) would be developed and entered into between the Treasurer's Office and the Office of Enterprise Technology that would define the specifics of the information technology services provided to the Treasurer's Office. Approval of this action effectively transfers positions and incumbents, supplies and services, and capital from OET to the Treasurer's Office. The following position control numbers will be transferred to the Treasurer's Office:

11202 Computer Operator	61343 Programmer/Analyst
12977 Systems/Network Admin - Sr/Ld	63535 Programmer/Analyst Sr/Ld
15079 PC/LAN tech Support	63975 Programmer/Analyst Sr/Ld
15099 Applications Development Manager	63977 Programmer/analyst Sr/Ld
15560 Help Desk Coordinator	65424 Business/Systems Analyst
34255 IT Sr. Manager	65425 Business/Systems Analyst Sr/Ld

Further, approve the transfer of expenditure authority from the Office of Enterprise Technology (410) General Fund (100) to the Treasurer's Office (430) General Fund (100) in the amount of \$1,328,816.00, or the determined budget amount based on a mid-year budget adjustment.

This action will either require an expenditure appropriation adjustment decreasing the FY 2008-09 Office of Enterprise Technology (410) General Fund (100) by \$1,328,816.00, or the budget amount determined by the Office of Management and Budget, and increasing the FY 2008-09 Treasurer's Office (430) General Fund (100) expenditure budget by \$1,328,816.00 or the budget amount determined by the Office of Management and Budget. (C-43-09-003-M-00)

Supervisor Wilcox commented that the Board has done a number of things over the past four-years that have led to efficiencies and cost savings for the taxpayer. She indicated this IT consolidation was another action of the same type, therefore, she made a motion to deny this request.

Supervisor Stapley, in giving his second, commented to Mr. Hoskins that he would commit to working very closely with him to resolve his concerns whether they are about communication or liabilities. He added that the Board has received a “drastically different legal opinion from equally capable lawyers relative to Mr. Thomas’ legal opinion to your issue of control.” He said that opinion was based on the premise that Mr. Hoskins had no control of the information and he hoped that his mind has been changed on that. He said to reverse it and go back is not revenue neutral, as Mr. Hoskins claimed, but it would reverse all the progress that has been made and it would cost a great deal of money. He therefore could not support rescinding the action taken last November.

Motion to deny by: Supervisor Wilcox, Seconded by: Supervisor Stapley  
Ayes: Kunasek, Stapley, Brock, Wilcox, Wilson

#### **4. CREATION OF INFORMATION TECHNOLOGY COORDINATOR POSITION**

Pursuant to the County Manager's request, and pursuant to A.R.S. §42-17106(b), approve the transfer of expenditure authority between Non-Departmental (470), General Fund (100) Operating (0000) and the Treasurer's Office (430) General Fund (100) Operating (0000). This action will require an expenditure appropriation adjustment decreasing the FY 2008-09 Non-Departmental (470), General Fund (100), Operating (0000), Unreserved Contingency (4711) by \$81,000 and increasing the FY 2008-09 Treasurer's Office (430) General Fund (100), Operating (0000) by \$81,000, in order to fund one (1) Classified/Merit Covered FTE to be the Information Technology Coordinator (MRT=Operations/Program Manager) in the Treasurer's Office, based on the County's Placement-in-Range philosophy and can not exceed the budgeted rate of \$36.69/hour.

In order to facilitate the coordination of the information technology needs of the Treasurer's office to the Office of Enterprise Technology (OET), it is recommended that funding be transferred to the Treasurer's Office to establish an FTE to be responsible for this function. Also direct the Office of Management and Budget to budget the annualized costs in the fiscal year 2009-10 budget. These adjustments will result in a countywide net impact of zero. (C-20-09-016-2-00)

David Smith said the sole basis for this recommendation is to accommodate Mr. Hoskin's wish to have a qualified and dedicated IT person in his office. This specialty person would be required to meet County standards, as does every other person having a specialty function in the County.

Motion was made by Supervisor Wilcox to approve the creation of this classified, merit covered, Information Technology Coordinator position, contingent on the Treasurer's Office fully executing and complying with the Service Level Agreement between the Office of Enterprise Technology and the Treasurer's Office for information technical services. It was stated that optimally this could be completed in a week.

Mr. Hoskins questioned the salary being offered for this position – around \$75,000 – saying he would have to research this as it seems “too low for this very important position.”

**~ Supervisor Brock disconnected his phone connection to the meeting ~**

Sandi Wilson, Deputy County Manager, explained that this position is for an IT Program Manager as a liaison between the Treasurer's Office and the integrated County IT department and this salary is at the County's midpoint range for that position and degree of responsibility. She added that with the County's benefit system it would equal approximately \$97,000 annually.

Supervisor Stapley said the County does not want Mr. Hoskins to feel forced to accept this unless he feels comfortable with it, and asked him if his preference was for the Board to continue with this. Mr. Hoskins replied, "Yes." He added that he was not closed on this issue but felt it could take him some time "to get through the service agreement." Supervisor Stapley asked Mr. Hoskins if he wanted this item to be continued for a week, and Mr. Hoskins responded, "Yes."

This item was continued to "the soonest possible date" to allow time to finalize the Service Level Agreement and requirements on the suggested new IT position.

**PRESENTATION AND ACTION**

**5. 2008 TAX BILL FUNDING**

**Presentation**

a. Pursuant to the Treasurer's request, presentation regarding a request for funding related to the services and postage to print and mail the 2008 Tax Bills and Information Statements.

Charles "Hos" Hoskins, County Treasurer

**Action**

b. Pursuant to the Treasurer's request, appropriate \$600,000.00 from the General Fund (100) to the Treasurer's Office (430) General Fund (100) for the payment for services and postage to be used to print and mail the 2008 Tax Bills and Information Statements. Neither the Tax Bills nor Information Statements are required to be mailed by statute. Without this appropriation, these documents will not be prepared or mailed. (C-43-09-004-M-00)

The Supervisors asked Mr. Hoskins how his budget could "historically" be \$400,000 short when the fiscal year had barely begun (July 1) and he had approved his budget only a few months ago. Discussion ensued and Mr. Hoskins explained that he had nothing to do with putting the budget together and did not even see it until the middle of July.

Supervisor Wilcox questioned how this could happen and said that as an elected official she would never sign her budget until it had been explained to her and she fully understood it. She asked if the budget person for the Treasurer's Office had done this with Mr. Hoskins before he signed the budget. Mr. Hoskins repeated he had not seen the budget until the middle of July.

The cost of mailing out tax information to residents was discussed. Chairman Kunasek

asked Mr. Hoskins if he was aware there was already \$180,000 on the postage meter that was carried over from last year. Mr. Hoskins was aware of this. Chairman Kunasek continued by explaining the budget shortfall being experienced by the County as a result of the budget crisis at the State level and that every department had been asked to submit three budgets to OMB projecting a 5%, 10% or 15% reduction in their department expenses. He said that all departments had agreed to certain reductions to help get through this financial crisis. Discussions were held with each department before a final budget was approved and signed.

(Prior to the motion on this item, David Smith and Sandi Wilson gave the presentation for item #6, on the budget status for the Treasurer's Office for FY 2008-09.)

Motion to deny by: Supervisor Stapley, Seconded by: Supervisor Wilcox  
Ayes: Kunasek, Stapley, Wilcox, Wilson  
Absent: Brock

## **6. PRESENTATION ON THE TREASURER'S OFFICE FY 2008-09 BUDGET STATUS**

Pursuant to the County Manager's request, presentation regarding the 2008-09 budget and forecast information for the Treasurer's Office. This presentation will include a discussion of the funding necessary for mailing of the property tax bills and other related financial information and possible action items as detailed in items 7 and 8 below.

*David R. Smith, County Manager*

Sandi Wilson said a 7.6% reduction, or \$280,000, had been taken from the Treasurer's budget for the forthcoming fiscal year. She explained that increasing this budget with the action items on today's agenda plus the budget contingency of \$50,000, would take the reduction down to a 6.3% and if the new IT position is approved, the Treasurer's Office reduction would be 4.1%, the third lowest percentage cut taken in the County as a whole. Only the Assessor and Superior Court had lower reduction percentages.

She said OMB takes budget responsibilities very seriously and follow the very firm fiscal policies and guidelines set by the Board. She said Mr. Hoskins had turned in a budget proposal prepared by his staff and it was assumed that Mr. Hoskins would have reviewed that budget before submitting it to OMB. Mr. Hoskins had unreservedly signed on his budget on April 2, 2008, in a meeting with Ms. Wilson.

Ms. Wilson said that OMB believes there is sufficient money in the Treasurer's budget to cover the mailing of the tax bills, statements and resolutions. She explained the several tax notifications usually done by the Treasurer's Office and said that only one was mandated by statute. Discussion ensued on what to mail out, and the resulting cost. Alternative methods of notification were discussed for future remedies to alleviate the printing costs of the past and present.

Ms. Wilson said she, Mr. Hoskins and David Smith have been discussing several things over the past few months about ways to resolve audit issues found in the Treasurer's Office last fall, some of which have already been resolved, as with Mr. Hoskins' offers on the line-of-credit and the issuing of warrants. Other issues included:

- The investment function to put together an outside team to work on investments
- The Human Resource management position that has been approved and is in the 2009 budget

- A charge of accounts is being dealt with by the transfer of the IT group to OET
- The information system strategy was also dealt with by the IT group transfer
- The taxpayer information fund is resolved, as it was budgeted
- The Board approved the Treasurer's unbudgeted requests for salary increases of \$36,000

She addressed the request to bring in outside consultants to complete position descriptions for all of his staff to facilitate salary increases. She said that in the current fiscal situation no market studies are being done for any County positions and there is no money funded for market increases for any employees. She added that the Treasurer's Office was involved in significant market increases for staff within the last two years.

Ms. Wilson said the Treasurer's forecast was submitted on July 16th showing a \$393,000 overage despite the fact that he has asked on the agenda item for \$600,000. A July 24th meeting with Treasurer's staff resulted in a revised forecast, it was felt all were in agreement with, which showed an overspending of \$12,000, including the tax statement costs. She discussed vacancy savings, which are required of all departments, and other possible savings that would result in stabilizing the Treasurer's budget.

She recommended putting the Treasurer's Office on line-item budget control, as previously approved by the Board when a department exceeds its appropriated budget. She recommended approval of a budget management change to go from Lump Sum Budgeting to Line-Item Budget Control, effective immediately. She said this has been done in the past with a number of departments. She also recommended passage of agenda item #7 for the transfer of expenditure authority, and several other things, including setting aside \$50,000 to hold in abeyance.

Supervisor Stapley said problems in the Treasurer's Office have been pending for several years and it was very important to the County that this office be run properly and efficiently and that there is no computer crash or other serious complication. He felt it was important to continue the progress that has already been made and to support the needs of Mr. Hoskins' office.

Mr. Hoskins reported on some of the employee and retirement problems he feels his department is facing to justify his job responsibility study, an inventory of all the activities in his office to enable the development of policies and procedures for each activity of each person. He felt this would provide total transparency.

Chairman Kunasek explored a 20% increase of the Treasurer's budget with a similar increase in budgets of the Sheriff's Office or the County Attorney and said if such an increase was received by those, or any other, departments it would be considered "shocking." He said it is the percentage of the total budget that is of concern, especially if it happens two-months into the fiscal year. He said the Board would be derelict in its duties if there was no response when alarm bells are sounded.

(At this time Supervisor Stapley pointed out the omission of voting on agenda item #5, having moved forward into the presentation, and the vote on item #5 was taken at this time.)



**County Manager**

**7. TRANSFER OF EXPENDITURE AUTHORITY**

Pursuant to the County Manager's request and pursuant to A.R.S. §42-17106(B), approve a transfer of expenditure authority from Treasurer's Office (430) General Fund (100) Operating (0000) to Non-Departmental (470) General Fund (100) Other Programs (4712) Operating (0000) in a new line item entitled "Treasurer Tax Bill and Information Statement Printing and Postage" in the amount of \$487,027. This action requires an expenditure appropriation adjustment decreasing the FY 2008-09 Treasurer's Office (430) General Fund (100) Operating (0000) budget in the amount of \$487,027 and increasing the FY 2008-09 Non-Departmental (470) General Fund (100) Other Programs (4712) Operating (0000) budget in the amount of \$487,027.

Also, per A.R.S. §42-17106(B), approve a transfer of expenditure authority from Non-Departmental (470) General Fund (100) Operating (0000) to Non-Departmental (470) General Fund (100) Other Programs (4712) Operating (0000) in a new line item entitled "Reserved for Potential Treasurer Budget Overrun" in the amount of not-to-exceed \$50,000. This action requires an expenditure appropriation adjustment decreasing the FY 2008-09 Treasurer (430) General Fund (100) Operating (0000) budget in the amount of not-to-exceed \$48,968 and increasing the FY 2008-09 Non-Departmental (470) General Fund (100) Other Programs (4712) Operating (0000) budget in the amount of \$50,000.

Also, per A.R.S. §42-17106(B), approve a transfer of expenditure authority from Non-Departmental (470) General Fund (100) Central Service Costs-Lobbyist Contract (4714) Operating (0000) to Non-Departmental (470) General Fund (100) Other Programs (4712) Operating (0000) in a new line item entitled "Reserved for Potential Treasurer Budget Overrun" in the amount of not-to-exceed \$60,000. This action requires an expenditure appropriation adjustment decreasing the FY 2008-09 Non-Departmental (470) General Fund (100) Central Service Costs-Lobbyist Contract (4714) Operating (0000) budget in the amount of not-to-exceed \$60,000 and increasing the FY 2008-09 Non-Departmental (470) General Fund (100) Other Programs (4712) Operating (0000) budget in the amount of \$60,000.

In FY 2008-09, the Treasurer's Office Departmental Budget was funded for the printing, postage and miscellaneous costs associated with Tax Bills, Info Statement/Postcards, Delinquent Bills and Resolution Bills. This action will remove funding from the Treasurer's Office Budget and place the funding in the FY 2008-09 Non-Departmental budget in the amount of \$487,027 for the Treasurer to use for these purposes. The \$487,027 includes the following costs of printing, postage and other miscellaneous charges associated with:

- Tax Bills - \$355,447.17
- Info Statement/Postcard - \$214,000.00
- Delinquent Bill (December) - \$15,021.86
- Delinquent Bill (June) - \$63,214.27
- Resolution Bills - \$19,344.10
- Prepaid Postage – (\$180,000.00)

This action also requires that the Treasurer's Office pay all invoices for the above item charges directly from the Non-Departmental budget with prior approval from the Office of

Management and Budget. (C-20-09-015-2-00)

Discussion ensued on this item. David Smith said that Maricopa County has proven systems that are being used County-wide, of which IT is only one, and the Board is happy to be bringing a new member of the team into the system. He said there will be benefits to the whole as a result of this action today.

Motion to approve by: Supervisor Stapley, Seconded by: Supervisor Wilcox  
Ayes: Kunasek, Stapley, Wilcox, Wilson  
Absent: Brock

**8. BUDGET MANAGEMENT CHANGE FOR THE TREASURER'S OFFICE TO "LINE ITEM BUDGET CONTROL"**

Pursuant to the County Manager's request, approve a budget management change for the Treasurer's Office from "lump sum budgeting" to "line item budget control" beginning immediately. This action is necessary due to the fact that the Treasurer's Office has forecasted to be over budget for FY 2008-09 and has made a request for Contingency Funds.

Board approved Budgeting for Results Accountability Policy section D.12 states the following: "if there is a significant risk that a department will exceed its appropriated budget, the Board of Supervisors/Board of Directors may adopt appropriated budgets for that department at the level of program/activity and/or object of expenditure."

Since the Treasurer has already communicated that they are forecasted to be over budget for FY 2008-09 and has made a request for Contingency Funds, OMB's recommended corrective action plan is to place the Treasurer's Office on a line item budget control plan at both the program/activity and at the object code level. OMB will meet with the Treasurer's staff to develop an action plan to carry out this recommendation. (C-20-09-017-2-00)

Discussion ensued on this item, which is to be put into effect immediately. Treasurer Hoskins said he does not oppose the line item budget for his office, feeling it could facilitate things. Chairman Kunasek assured Mr. Hoskins that the Board intends to provide all resources necessary to work with him and his office in implementing the new budget system as quickly and as easily as possible.

Motion to approve by: Supervisor Stapley, Seconded by: Supervisor Wilcox  
Ayes: Kunasek, Stapley, Wilcox, Wilson  
Absent: Brock

**MEETING ADJOURNED**

There being no further business to come before the Board, the meeting was adjourned

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Andrew Kunasek, Chairman of the Board

ATTEST:

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Fran McCarroll, Clerk of the Board